

THE WHITE HOUSE

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U.S. Support For Georgia

The United States Supports The Recovery, Stability, And Continued Growth Of Georgia's Economy

U.S. assistance will aid Georgia's economy and seeks to ensure Georgia regains its position as one of the world's fastest growing economies. Georgia's economy grew by 12 percent in 2007, as a result of solid macroeconomic management, openness to trade and investment, and business-friendly economic policies. The Government of Georgia has reiterated its commitment to the sound policies that have led to this success. The United States is committed to assisting Georgia to remain on this path and will help Georgia's economy recover from conflict.

The United States Will Provide Economic And Humanitarian Support To Georgia

- **The United States is making a multiyear commitment of \$1 billion in support of Georgia's economic recovery and humanitarian needs.** Approximately half of the total will be made available to meet immediate requirements using existing FY 2008 and FY 2009 resources, and the balance of funding will be budgeted for next year to address longer-term requirements. This assistance will be used for budget support to the Government of Georgia, infrastructure rehabilitation, private sector financing, humanitarian assistance, and other development activities. As part of this package, the Overseas Private Investment Corporation will be providing \$150 million in investment of private sector investment projects in Georgia.
- **Humanitarian assistance will continue to help Georgians displaced by invasion.** The United States began providing humanitarian assistance to meet the immediate needs of the Georgian people at the onset of the conflict. To date, the United States has provided nearly \$30 million in humanitarian assistance by sea, land, and air. The United States military, in partnership with the State Department and the U.S. Agency for International Development, has led this effort with 61 trips and two maritime shipments to Georgia, delivering more than 1,200 tons of food and medical supplies.
- **The United States is working closely with our multilateral development bank partners as they formulate their plans to help Georgia meet its reconstruction needs and leverage the private investment needed for future growth.** Georgia has an impressive track record of reform, and its economic fundamentals have increasingly strengthened. The United States strongly supports Georgia's engagement strategy with the International Monetary Fund to bolster market confidence and support the Georgian government as it addresses economic challenges resulting from the conflict.

- **The United States will deepen its trade and investment ties with Georgia.** The United States will broaden its Trade and Investment Framework Agreement with Georgia, explore negotiating an enhanced bilateral investment treaty, propose new legislation to expand preferential access to the U.S. market for Georgian exports, and provide trade-related technical assistance, including by helping Georgia take full advantage of the Generalized System of Preferences. The United States will assist American firms to invest in Georgia and sponsor exchanges to enhance ties between the U.S. and Georgian business communities.
- **Marine war risk insurance will support maritime commerce with Georgia.** The President will exercise his authority to make sure that insurance against loss or damage caused by acts of war relating to the conflict in Georgia will be available if commercial insurance is not available on reasonable terms.
- **The United States will work with the European Union to assist Georgia with its reconstruction and will participate in the international conference on Georgia's reconstruction.** The United States has joined the EU in condemning Russia's decision to recognize the independence of Abkhazia and South Ossetia and in calling on other states not to recognize these Georgian separatist regions.

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